

STATE STUDENT ASSISTANCE COMMISSION OF INDIANA



The SSACI Part-time Grant Award for 2006-2007

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The SSACI Part-time Grant Award for 2006-2007

Introduction

The SSACI Part-time Grant Award is a term-based award for students attending certain colleges part-time. Recipients must file a FAFSA but need not be on-time March 10th filers (except for NGS students¹). The program is designed to pay some of the tuition costs of degree-seeking and Ivy Tech Community College certificate-seeking undergraduates. Students must be taking at least three (3) but less than twelve (12) credit hours² per term at an eligible public or independent institution with first consideration given to students who meet certain income requirements. There is no minimum *cumulative* hour requirement.³ The students must meet state residency requirements, have filed a FAFSA and otherwise qualify for state aid. The part-time grant is a need-based award. Detailed eligibility requirements are discussed below. *The minimum award is \$50 per term.* Each eligible institution is allocated a fixed amount of money for the awards.

Calculating an award

Although the award can be granted for all terms in an academic year, it is calculated and awarded on a *term by term basis* where the number of terms are those subsidized by SSACI in an academic year, ordinarily two or three. The award is similar to the Frank O'Bannon Grant (The Higher Education Award, HEA, or the Freedom of Choice Grant, FOC) and is calculated exactly in the same way using appropriately adjusted Frank O'Bannon (HEA/FOC) tuition and fees and an 80% base subsidy rate. There are no Academic Honors or Core 40 Diploma Part-time Grants; all part-time grants are at the base 80% rate. The part-time term grant award is calculated as follows.

The four steps

- Determine the number of SSACI payment periods, that is, the terms subsidized by SSACI: 2 for semester schools, 3 for trimester/quarter schools.
- Determine the correct Frank O'Bannon Grant (HEA/FOC) tuition and fees for the credit hour load for an *annualized* number of hours by multiplying the student's term credit hours by the number of terms and appropriately calculating the tuition and fees for this annualized credit hour load. The tuition and fees are last year's Frank O'Bannon Grant (HEA/FOC) tuition and fees (appropriate to the student's status as "continuing" or "new" at certain public institutions).
- Determine the student's PC or EFC as appropriate just as would be used for a full-time Frank O'Bannon Grant.
- Calculate the term Part-time Grant (PTG) as:

$$\text{PTG} = [.80 * (\text{Annualized Tuition and Fees}) - \text{PC or EFC}] / \text{terms}$$

Algebraically, the award could be calculated using *term* tuition and fees and the *term* PC or EFC as:

$$\text{PTG} = .80 * (\text{Term Tuition and Fees}) - [(\text{PC or EFC}) / \text{terms}]$$

In short, the PTG is the base 80% HEA or HEA/FOC if it could be calculated using less than 12 credit hours².

How to determine the tuition and fees

Tuition

The tuition used must be the part-time tuition charged to the student as long as it does not exceed the SSACI approved full-time tuition (excluding fees) for the Frank O'Bannon Grant. It could be a flat tuition rate for the number of hours carried or a credit hour charge. A flat tuition rate means that the institution charges the same amount to all students in blocks of credit hours, e.g., the same charge for students with 6 to 10 credit hours.

Moreover, the tuition used must be the appropriate "continuing" or "new" student tuition at those public institutions approved for differential tuitions.

TUIT Code. Effective for 2006-07, public schools approved for differential tuition must supply a tuition type code (TUIT) for any students **added** for a Part-time grant. Students whose full-time grant is being replaced by a Part-time Grant would already have the appropriate TUIT code.

Credit hour charges must be the actual credit hour charges but not to exceed certain limits. At all colleges (public and independent), the hourly rate must be the actual rate charged to the student or the SSACI approved full-time

¹ To be eligible for a part-time National Guard Supplemental Grant students **must** be on-time filers.

² These limits refer to a semester-based academic year. Appropriate changes must be made in the criteria for a trimester or quarter-based academic year. SSACI reserves the right to deny awards based on incorrect criteria.

³ However, in reconciling part-time awards, all degree type and hourly data **must** be reported.



tuition divided by 30⁴, whichever is *smaller*. In short, the tuition (excluding the fees) cannot exceed the Frank O'Bannon Grant tuition including any "caps" for public and independent colleges.

Fees

If fees are charged to part-time students, they cannot exceed the fees charged to full-time students ("continuing" or "new"), fee by fee for the Frank O'Bannon Grant program. The fees could be a combination of hourly fees and fixed fees. The same rules apply to fees for the Part-time Grant as apply for the full-time Frank O'Bannon Grant: the fees must be regularly assessed to all students regardless of program.

Eligibility requirements

The following are the eligibility criteria for a part-time grant.

- The student must be an Indiana resident, be degree seeking in an approved two-or four-year program except IVTSC and only IVTSC students can be in one-year certificate programs, submit a FAFSA, and have financial need as determined in the usual way. Moreover, the student must be within the four-year and ten-year limits. The FAFSA must be clean to the point it can be used to compute an annual Frank O'Bannon Grant.⁵
- The student must be enrolled in the term for at least 3 credit hours but less than full-time at an eligible public or independent institution. There is no cumulative hour requirement.

Priority rankings

In selecting students for the part-time grant, institutions *must* give

- **First priority** to
 - independent students with a dependent other than a spouse who meet the family size and income guidelines; and
 - dependent students whose age will be less than 24 at the end of the academic year, who live with at least one custodial parent or legal guardian and who meet the family size and income guidelines. The family size and income guidelines are in the following table.

<i>Family Size and Income Guidelines 2006-2007</i>	
<i>Number in Family Including Student</i>	<i>Maximum Adjusted Gross Income</i>
2	\$33,000
3	\$41,500
4	\$50,000
5	\$58,500
6	\$67,000
7	\$75,500
8	\$84,000
9	\$92,500
10	\$101,000
Each Additional	\$8,500

The table is used in this way. If an independent student is a single-parent with one child (family size of **two**) and an adjusted gross income (AGI) of \$25,678 they are a first-priority student. If their AGI is lower, they still qualify but if it is \$33,431 they would not be a first-priority student because the AGI is over the maximum of \$33,000. Similarly, a dependent 20-year-old student from a two-parent household with a sibling living at home (family size of **four**) whose parents have a combined AGI of \$44,125 would be a first-priority student. Any lower income would still make them first-priority but anything over \$50,000 would not.

- **Second priority** to eligible students completing their degrees even if they do not meet the first priority criteria.

⁴ The number 30 is the number of credit hours used to determine a maximum full-time Frank O'Bannon Grant. It must be appropriately adjusted for trimester and quarter schools.

⁵ Part-time grants come under the full force of the SSACI eligibility rules and regulations, the rules and regulations for the reconciliation of awards and for the resolution of Professional Judgments.



- **Third priority** to any other student meeting the eligibility criteria who is not a first or second priority student.

Applying these priority rankings should be done with good sense and professionalism. There is no implication in these priorities that financial aid offices should hold back granting part-time awards to needy students in order to wait for first priority students to request a grant. All things being equal, awards should be given to first priority students, then second, and finally third. Remember that being low income is not the same as having a low PC or EFC and it is low-income students who should be first served by the program.

A special note about priority rankings

There is no need to report a student's priority ranking to SSACI. FAFSA data will be used by SSACI to determine if a student is a first-priority student or not. This will be done for Federal reporting purposes. Because Indiana is required by the Federal government to show a "maintenance of effort" match by using its money to assist families in financial need, need-based financial aid is an ideal way for the state to meet its Federal obligations and its obligations to its citizens at the same time. The Part-time Grant Award program directly helps students pay for college and at the same time helps the state wisely manage its resources to the benefit of all Hoosiers.

Replacing full-time awards, eStudent, eligibility, rejection and disbursement of awards

Changing from a full-time award-3 points

Changing an offered full-time Frank O'Bannon Grant award to a part-time award is straightforward. There are three points to remember when reconciling the Part-time Grant in this case:

- (1) You must re-calculate the award as previously described. A Part-time Grant cannot exceed a full-time award.
- (2) You must use the appropriate reconciliation Change Code. It is "XC".
- (3) You must supply the degree type (1=certificate, 2=two-year, 4=four-year) and appropriate hour data (cumulative and current) in the appropriate format with two decimal places (e.g., 6 as 6.00).

Adding records-5 points

SSACI has instituted procedures that should nearly eliminate the rejection of part-time records *added* during reconciliation. However, records could still be rejected if the student is not in SSACI's database or is out of eligibility or is a non-resident or there is missing data in a changed or added record. To decrease the likelihood that the record would be rejected five things should be done:

- (1) Check if the student is in the SSACI database *and* eligible for aid by using **eStudent** before the award is made. Make sure the student has filed a clean FAFSA at least 2 weeks before the grant request is submitted.
- (2) Submit requests for part-time grants as early as possible in the term.
- (3) Make sure you enter into the added RECN record the student's SSN, name, including suffixes such as JR or II, and the DOB *exactly as entered on the FAFSA* (and the SAR). If a record is rejected for not being in SSACI's database and you are certain a FAFSA has been filed, check very carefully the SSN, last name—especially suffixes—and DOB, correct the record and re-submit it for processing.
- (4) Don't forget to supply the degree type (1=certificate, 2=two-year, 4=four-year) and appropriate hour data (cumulative and current) in the appropriate format with two decimal places (e.g., 6 as 6.00).
- (5) Don't forget to supply a TUIT code when necessary. You can use the same added record to award the Part-time grant and supply the TUIT code.

Four-year, ten-year eligibility and residency checking

The only way four- and ten-year eligibility and residency can be verified for students added during reconciliation is by using SSACI's on-line access to its database, **eStudent**, before awards are made.

Disbursing part-time grants

No part-time grant is official until SSACI accepts it and reports that fact back in a RECN file. This means an added part-time award is tentative until SSACI pays the award. That is, if you request a part-time award, do NOT disburse the funds until SSACI marks the award as paid. SSACI might reject the award for good cause, which means you are liable for the money if the award was paid to the student.

Part-time Grant Allocations

Money for Part-time Grants is allocated to each institution based on available funds and past use of grants. The allocations are *annual* allocations. It is expected that the school will keep track *by term* of expended funds to make sure the allocation is not over-spent. SSACI will check each request (student by student) for a Part-time Grant against the school's available funds. Any request that would cause the allocation to be exceeded will be rejected. If



a school thinks a request will exceed its available funds even by a \$1, it should contact SSACI *before* making the award to the student and submitting the request. Additional funds might be available.

Verification of Part-time Grants

From time-to-time and for selected schools and students SSACI recalculates paid Part-time Grants to make sure they are done correctly. In the rare cases when there are errors, they tend to fall into one of five categories:

- (1) Student was a *no-need* student and cannot receive a state grant
- (2) School used the current tuition or the wrong Frank O'Bannon differential tuition.
- (3) School used a Core 40 or Academic Honors subsidy rate instead of the 80% subsidy.
- (4) School used the *annual* 80% award instead of the appropriate *term* award.
- (5) School used a PJ-modified data for a PC or EFC that SSACI would not accept.

Some Definitions

Approved Program of Study

An approved program of study is one in which the student declares, in writing, a specific educational objective or course of study leading toward a two-year or four-year degree or a one-year certificate at IVTCC and enrolls in courses that apply toward the requirements for completion of that objective. To be eligible for a part-time student grant award, students must enroll in an approved program of study and demonstrate intent to obtain the appropriate degree or IVTCC certificate.

Enrollment Periods

The part-time grant award mirrors the Frank O'Bannon Grant and can only be used during the fall and spring semesters or the fall, winter, and spring trimesters or quarters. The award may not be used for summer term.

Eligibility Used

Part-time grants count as half a term's eligibility units regardless of the credit hours taken, that is, a part-time grant in both the fall and spring semesters would count as only one semester of eligibility used in that year against the four-year or eight-semester limits. However, the ten-year rule is in effect as long as any award is used.

Transfer Students

Since awards are made by each eligible institution the part-time student grant offered by an institution is *not transferable*. Students who transfer from one institution to another and who wish to renew the award must reapply at the new institution.

Change in Status

If a student is enrolled part-time in the fall term, the student could be awarded a spring term full-time award (once so enrolled) if and only if the student had been offered an annual Frank O'Bannon Grant that, for whatever reason, was not used in the fall. Similarly, a student could use a full-time award in the fall and a part-time award in the spring. *Mutatis mutandis* for trimester and quarter schools.

Relationship to Other Grants

National Guard Supplemental Grant

The National Guard Supplemental Grant (NGSG) is both a full time and a part-time grant. An eligible student can receive an ordinary part-time grant and also receive the remainder of the tuition as an NGSG, that is, as a supplement to the Part-time Grant just as the full-time NGSG supplements the full-time HEA. The student could also receive an NGSG for part-time enrollment without a Part-time Grant. In this case, the NGSG would cover all the allowable part-time tuition and fees just as the full-time NGSG does. *Moreover, the NGSG must be marked as a part-time award so that the student is charged only part-time eligibility*, that is, don't forget to supply the degree type (1=certificate, 2=two-year, 4=four-year) and appropriate current and cumulative hour data in the appropriate format with two decimal places (e.g., 6 as 6.00). That is how SSACI knows the NGSG is a part-time grant.

Twenty-first Century Scholarship

The Twenty-first Century Scholarship requires that the Scholar be full-time. A Scholar attending college part-time cannot receive the Scholarship and the Scholarship cannot be turned into a Part-time Grant. But of course a Scholar could otherwise be eligible for a Part-time Grant.

**Examples of the SSACI Part-time Grant Award⁶****Example 1: Semester-based public institution**

Institution: Semester-based public institution (two terms).

Approved Allowable

Annual Tuition: \$4,500 for a student taking 30 credit hours

Credit Hour Charge: \$150 = (4500 / 30)

Regularly Assessed Fees: Fixed fee of \$50 per term

Student 1 (Term calculation)

PC \$500
 Term PC $\$250 = 500 / 2$
 Term Credit Hours: 9.00
 Tuition and Fees $9 * 150 + 50 = 1350 + 50 = \$1,400$
 Term Award $.80 * 1400 - 500/2 = 1120 - 250 = \870

Student 2 (Annual calculation)

Minimum Annual PTG $\$100 = (2 * 50)$
 PC \$2,500
 Term Credit Hours: 9.00 Annual Credit Hours 18.00
 Annual Fees $2 * 50 = \$100$ (terms times 50)
 Annual Tuition and Fees $18 * 150 + 100 = 2700 + 100 = \$2,800$
 Annual Award $.80 * 2800 - 2500 = 2240 - 2500 = -260 < 100 = \text{NO AWARD}$

Example 2: Semester-based independent institution⁷

Institution: Semester-based independent institution (two terms).

Approved Allowable

Annual Tuition: \$9,300⁷ (see footnote)

Actual Credit Hour

Charge: \$629

Allowable Credit

Hour Charge: \$310 = minimum of 629 and $9300/30$ = minimum of \$629 and \$310

Regularly Assessed Fees: None

Student 1 (Annualized calculation)

PC \$0
 Term Credit Hours: 9.00 Annual Credit Hours 18.00
 Tuition and fees $18 * 310 + 0 = \$5,580$
 Annual Award $.80 * 5580 - 0 = 4464$
 Term Award $4464 / 2 = \$2,232$

Student 2 (Annualized calculation)

PC \$3002
 Term Credit Hours: 9.00 Annual Credit Hours 18.00
 Tuition and fees $18 * 310 + 0 = \$5,580$
 Annual Award $.80 * 5580 - 3002 = \$1,462$
 Term Award $1462 / 2 = \$731$

Student 3 (Term calculation)

PC \$855
 Term PC \$427
 Term Credit Hours: 9.00
 Tuition and fees $9 * 310 + 0 = \$2,790$
 Term Award $.80 * 2790 - 855 / 2 = 2232 - 427 = \$1,805$

⁶ Calculations should be rounded to make them consistent with the way SSACI Frank O'Bannon Grant awards are calculated, except that if the PC or EFC is converted to terms, it should be truncated to benefit the student.

⁷ This is an example only. There is no implication that the independent college cap is \$9,300 or anything else.

**Example 3: Trimester-based institution**

Institution: Trimester-based institution (three terms).
 Approved Allowable
 Annual Tuition: \$9,300 based on annual 48 credit hour load
 Actual Credit Hour
 Charge: \$229
 Allowable Credit
 Hour Charge: $\$229 = \text{minimum of } 229 \text{ and } 9300/48 = \text{minimum of } \$229 \text{ and } \$232.50$
 Regularly Assessed Fees: \$50 fixed term fee (annual = $3 * 50 = \$150$) and \$35 per credit hour
Student 1 (Annualized calculation)

PC	\$0		
Term PC	\$0		
Term Credit Hours:	6.00	Annual Credit Hours	18.00
Tuition and fees	$18 * 229 + 150 + 18 * 35 = 4122 + 150 + 630 = \$4,902$		
Annual Award	$.80 * 4902 - 0 = \$3,922$		
Term Award	$3922 / 3 = \$1,307$		

Example 4: Semester-based institution with different rates for day and evening classes

Institution: Semester-based institution (two terms).
 Approved Allowable
 Annual Tuition: \$8,520 based on annual 30 credit hour load
 Special case tuition charges:
 Part-time day charges: \$497 per credit hour
 Part-time evening charges: \$333 per credit hour
 Regularly Assessed Fees: None
 Allowable Credit
 Hour Charge: $\$284 = \text{minimum of } 497 \text{ and } 333 \text{ and } 8520/30 \text{ (a minimum of three numbers)}$
 $= \text{minimum of } \$497, \$333, \text{ and } \$284$

Student 1 (Annualized calculation)

EFC	\$0		
Term Credit Hours:	11.00	Annual Credit Hours	22.00
Tuition and fees	$22 * 284 + 0 = \$6,248$		
Annual Award	$.80 * 6248 - 0 = \$4,998$		
Term Award	$4998 / 2 = \$2,499$		

Student 2 (Term calculation)

EFC	\$1,262		
Term EFC	\$631		
Term Credit Hours:	3.00		
Tuition and fees	$3 * 284 + 0 = \$852$		
Term Award	$.80 * 852 - 1262 / 2 = 682 - 631 = \51		

Example 5: Semester-based institution

Institution: Semester-based public institution (two terms).
 Approved Allowable
 Annual Tuition: \$5,790 for a student taking 30 credit hours
 Credit Hour Charge: \$193 = $(5790 / 30)$
 Regularly Assessed Fees: Fixed fee of \$150 per term and \$55 per credit hour

Student 1 (Term calculation)

PC	\$500		
Term PC	$\$250 = 500 / 2$		
Term Credit Hours:	6.00		
Tuition and Fees	$6 * 193 + 150 + 6 * 55 = 1158 + 150 + 330 = \$1,638$		
Term Award	$.80 * 1638 - 500/2 = 1310 - 250 = \$1,060$		

Student 2 (Annual calculation)

Minimum Annual PTG	$\$100 = (2 * 50)$		
PC	\$2,500		
Term Credit Hours:	4.00	Annual Credit Hours	8.00
Annual Fixed Fees	$2 * 150 = \$300 \text{ (terms times } 150)$		
Annual Credit Hour Fees	$8 * 55 = \$440 \text{ (annual hours times } 55)$		
Annual Tuition and Fees	$8 * 193 + 300 + 8 * 55 = 1544 + 300 + 440 = \$2,284$		
Annual Award	$.80 * 2284 - 2500 = 1827 - 2500 = -673 < 100 = \text{NO AWARD}$		